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Proposed Regulation Agency Background Document

| Agency name | Board for Contractors | |
|---|---|--|
| Virginia Administrative Code (VAC) citation | 18 VAC 30 -10 | |
| Regulation title | Board for Contractors Tradesman Regulations | |
| Action title | Amend | |
| Document preparation date | August 4, 2005 | |

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Orders 21 (2002) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual.*

Brief summary

In a short paragraph, please summarize all substantive changes that are being proposed in this regulatory action.

The Board for Contractors (the Board) seeks to amend its current regulations to reflect and respond to statutory changes, clarify previous regulations and respond to changes in the industry. With the exception of a fee increase in January 2003, there has been no change to the regulations since 2001 when Liquefied Petroleum Gas Fitters and Natural Gas Fitter Providers, became regulated, as a result of legislative action.

These proposed regulations amend and clarify the definitions, removing those that are already in the statutes or no longer applicable; as well as amending a number of definitions in order to make them more consistent with similar definitions in the Contractor Regulations and clarifying other definitions by adding appropriate references to existing statutes, other programs or additional language. Many of these changes were made as a result of questions that have been presented to the Board on a daily basis by licensees, Building Officials and the general public.

These proposed regulations include the implementation of continuing education as a requirement for renewal and reinstatement of licensure, which is currently permitted by statute. This amendment was made as a result of comments, discussions and presentations made by the staff

of the Apprenticeship Council of the Department of Labor and Industry and by representatives of a number of trade organizations, in particular the Plumbing and Mechanical Professionals of Virginia.

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Legal basis

Please identify the state and/or federal legal authority to promulgate this proposed regulation, including (1) the most relevant law and/or regulation, including Code of Virginia citation and General Assembly chapter number(s), if applicable, and (2) promulgating entity, i.e., the agency, board, or person. Describe the legal authority and the extent to which the authority is mandatory or discretionary.

Section 54.1-1102 of the Code of Virginia provides the authority for the Board for Contractors to promulgate regulations for the licensure of tradesman and certification of backflow prevention device workers in the Commonwealth. The content of the regulations is determined at the discretion of the Board, but shall not be in conflict with the purposes of the statutory authority.

Purpose

Please explain the need for the new or amended regulation by (1) detailing the specific reasons why this regulatory action is essential to protect the health, safety, or welfare of citizens, and (2) discussing the goals of the proposal and the problems the proposal is intended to solve.

Amending the definitions in these regulations is essential to maintain consistency in the administration of the statutory licensing requirements for tradesman and certified backflow prevention device workers assigned to the Board for Contractors. Many of these definitions duplicate language already contained in the statutes. Removing these duplicative sections of the regulations eliminates confusion, which can occur when the statutes and regulations conflict during that period of time after a statutory amendment becomes effective and the regulations "catch-up" through the regulatory review process. The confusion caused during this lag time can be detrimental to the health, safety and welfare of citizens, as the two sources of authority (law and regulation) contain different provisions.

Other proposed "clean-up" amendments are essential to remove sections of the regulations that are no longer in effect, such as special time-sensitive licensing provisions that have expired and to clarify sections of the regulation that based on comments from licensees and other interested parties that we have received on a day-to-day basis, are confusing. This streamlining and clarification of the regulations make them easier to understand and serve both the regulant population and the public by making it easier to determine if a tradesman is in compliance with the regulations that were promulgated to protect the health, safety and welfare of citizens.

The rapid changes in the construction industry and the reaction to a number of those changes reflected in amendments to the building code, specifically those governing trade-related work, (National Electrical Code, International Plumbing Code, International Mechanical Code, Fuel-Gas Code) is the primary purpose for proposing the implementation of a continuing education requirement. These building codes are continuously developed and amended as

technology changes, to ensure that citizens, who are rapidly incorporating these technological changes, into their homes and businesses, are protected as much as possible from injury or property damage due to improper installation, repair or maintenance of trade-related equipment.

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2) The overall goal of these proposed regulations is to simplify existing regulations through the elimination of duplicative sections and clarification of sections that had been the subject of questions from both the public and licensees, and to increase the level of protection afforded to the citizens of Virginia, with the least amount of burden placed on the regulant population.

The Board for Contractors staff, has seen an increase in the number of telephone calls, emails and other forms of correspondence, from citizens and government officials, regarding tradesman who are having difficulty with the ever-changing provisions of the various building codes associated with trade-related work. Since January 2003, the Board has adjudicated 1240 disciplinary cases. Approximately 20% of those cases involved situations where some requirement of the building code was not followed properly, such as obtaining a permit, getting an inspection, or failing to abate a violation found as a part of an inspection. Over half of those violations involved trade-related work. Additionally, in that same time period eight tradesmen have been brought before the Board for violation of the Tradesman Regulations, with three of those cases resulting in revocation. The tradesman program was transferred from the Department of Housing and Community Development to the Board for Contractors in 1995 and from that transfer until January 2003, not a single tradesman license was revoked. Amending the regulations to require that licensed tradesman attend code based continuing education classes is anticipated to have a positive affect by reducing the number of disciplinary actions against tradesman.

Substance

Please briefly identify and explain the new substantive provisions, the substantive changes to existing sections, or both where appropriate. (More detail about these changes is requested in the "Detail of changes" section.)

The primary substantive changes to the definitions found in 18 VAC 50-30-10 are to remove definitions that are duplicates of what already appear in statute, such as the definition of "tradesman;" are confusing and require additional clarification language, such as the definition of "journeyman;", or are amended to bring them into agreement with language in place in the Contractor Regulations, such as the definition of "supervisor" and the addition of "supervision".

Substantive changes to Part II (Entry) of the regulations remove sections that are obsolete based on date requirements listed or duplicates of what already appear in statute. These changes were included as a result of public comment received during the NOIRA comment period and to the Board at other times through the course of regularly scheduled meetings.

The requirement of the completion of three hours of building code related continuing education for each trade specialty (a single hour for the gas related trades) as a prerequisite for renewal is

the major substantive change to Part III (Renewal and Reinstatement) and can be found in 18 VAC 50-30-120.

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In Part V, Standards of Conduct, the proposed regulations provide for a new section (18 VAC 50-30-185), which provides specific language regarding the Board's authority to revoke a license or a certificate. Also outlined are the sanctions, authorized by statute, which may be imposed by the Board.

Substantive changes to Part VI of the regulations include the proposed name change to Vocational Training and Continuing Education. The proposed changes to this section include the clarification of vocational training course requirements and the addition of the proposed administrative side of the addition of continuing education to the requirements for renewal. This section outlines proposed requirements for approval of courses by the Board for Contractors and the requirements in place for the providers, as well as other administrative requirements such as reporting of course completion, reporting of changes and others.

Issues

Please identify the issues associated with the proposed regulatory action, including:

- 1) the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions;
- 2) the primary advantages and disadvantages to the agency or the Commonwealth; and
- 3) other pertinent matters of interest to the regulated community, government officials, and the public.

If the regulatory action poses no disadvantages to the public or the Commonwealth, please so indicate.

- 1) In amending these regulations, the Board for Contractors is continuing to provide necessary public protection tasked to them through existing statutes, with amendments that are the least burdensome to their licensees. Further protection will be afforded the public by ensuring that those performing work requiring a tradesman license maintain adequate training levels to safely complete the work. The proposed amendments will, without compromising that level of protection, clarify existing regulations and implement a program to ensure that licensed tradesman maintain their proficiency with the applicable building code for their trade. There are no anticipated disadvantages to the public, including private citizens or businesses.
- 2) The amendment of these regulations will be advantageous to the Agency by removing obsolete language from the regulations, which has been the source of numerous contacts with both regulants and members of the general public and efforts by staff to explain provisions in the regulations that are no longer applicable. Additionally, regulatory language that duplicates statute poses a significant problem when those statutes are amended and the regulations "lag" behind because of the time factor involved in the regulatory review process. The implementation of building code based continuing education will result in a decrease in complaints received against tradesman from both local building inspectors and consumers regarding difficulty with tradesman whose knowledge of code changes is not current. These complaints, time consuming to investigate and adjudicate, can be costly to consumers who often have to pay extra money to have these discrepancies abated.

3) The amendments to the definitions will provide needed clarification to the Building Officials of the various localities throughout the Commonwealth who, along with their permitting staff, are often the front line for questions from tradesman regarding the licensing requirements.

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Economic impact

Please identify the anticipated economic impact of the proposed regulation.

Fiscal Impact of Proposed Regulation

Summary:

All costs incurred in support of board activities and regulatory operations are paid by the department and funded through fees paid by applicants and licensees. All boards within the Department of Professional and Occupational Regulation must operate within the Code provisions of the Callahan Act (54.1-113), and the general provisions of 54.1-201. Each regulatory program's revenues must be adequate to support both its direct costs and a proportional share of agency operating costs. The department allocates costs to its regulatory programs based on consistent, equitable, and cost-effective methodologies.

Fiscal Impact:

| | FY 2005 | FY 2006 | FY2007 | FY2008 |
|--------------------|------------|------------|------------|------------|
| Fund / fund detail | NGF (0900) | NGF (0900) | NGF (0900) | NGF (0900) |
| Program/Subprogram | 560 44 | 560 44 | 560 44 | 560 44 |

| Impact of Regulatory Changes: | | | | |
|-------------------------------|------|--------|--------|--------|
| One-Time Costs | 0 | 5,000 | 0 | 0 |
| Ongoing Costs | 0 | 46,088 | 48,308 | 48,308 |
| Total Fiscal Impact | 0 | 51,088 | 48,308 | 48,308 |
| FTE | 0.00 | 1.00 | 1.00 | 1.00 |

Description of Costs:

One-Time: The Department will purchase furniture and equipment to support the new FTE in

FY2006.

Ongoing: DPOR will need one new classified position process workloads associated with the new

CPE requirements. A Band 3 Administrative and Program Specialist III will process provider applications, monitor licensing records to ensure compliance with the CPE

requirements, respond to requests for information, and communicate with licensees, providers and the public. The cost of salary and benefits for this position will be \$42,888 in FY 2006 (assuming 22 pay periods) and \$45,105 in FY 2007. Ongoing support and operating costs such as postage, telecommunications, supplies, and other operating costs are expected to be \$3,200 annually. These are recurring costs that will continue into future biennia.

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This position will be requested during the biennial budget process.

Cost to Localities:

Description of Individuals, Businesses, or Other Entities Impacted:

Estimated Number of Regulants: The Department currently regulates approximately 32,000 tradesmen.

Projected Cost to Regulants: No change is expected in the cost to individuals, businesses, or other regulants as a result of these regulations.

Financial Status and Projections Board for Contractors

| Number of Regulants | 91,274 |
|---------------------|--------|
| Tradesmen - 32,000 | |

Current Regulations - Assumes Proposed Fees are Effective

| | 2000-2002 | 2002-2004 | 2004-2006 | 2006-2008 | 2008-2010 |
|-----------------------------|-----------|-----------|------------|------------|------------|
| | | | | | |
| Beginning Cash Balance | 1,096,719 | -930,483 | 136,805 | 1,622,157 | 2,430,806 |
| Revenue | 5,557,370 | 9,563,649 | 11,665,970 | 11,899,289 | 12,137,275 |
| Expenditures: | | | | | |
| Board Expenditures | 441,933 | 425,653 | 510,031 | 555,622 | 618,963 |
| Board Administration | 1,068,549 | 1,185,474 | 1,420,474 | 1,547,447 | 1,723,856 |
| Examinations | 40,154 | 49,150 | 58,893 | 64,157 | 71,471 |
| Enforcement | 3,406,236 | 3,914,332 | 4,690,281 | 5,109,534 | 5,692,021 |
| Legal Services | 163,566 | 64,780 | 77,622 | 84,560 | 94,200 |
| Information Systems | 864,603 | 698,334 | 836,767 | 911,563 | 1,015,482 |

Form: TH-02 **Town Hall Agency Background Document** Facilities/ Support **Services** 758,783 963,980 1,155,072 1,258,322 1,401,770 **Agency Administration** 818,107 945,619 1,133,072 1,234,354 1,375,071 Transfers/Other 249,039 298,407 325,081 22,641 362,140 **Total Expenditures** 7,584,572 8,496,361 10,180,618 11,090,640 12,354,973 **Cash Balance** -930,483 136,805 1,622,157 2,430,806 2,213,108

1.6%

<u>12.4%</u>

21.9%

17.9%

NOTES:

Callahan Percentage

The methodology for allocating legal services provided by the Attorney General's Office was changed in the 2002-04 biennium.

<u>-12.3%</u>

The Board has experienced a substantial increase in the volume of licensees during the 2002-04 biennium, which increases the projections

for both revenues and expenditures for future biennia. There is no clear indication whether this trend of increasing volumes will continue.

Financial Status and Projections Board for Contractors

| Number of Regulants | 91,274 |
|----------------------------|--------|
| Tradesmen - 32,000 | |

Proposed Regulations - Assumes Proposed Fees are Effective

| | 2000-2002 | 2002-2004 | 2004-2006 | 2006-2008 | 2008-2010 |
|-------------------------------|-----------|-----------|------------|------------|------------|
| Paginning Cook Polones | 1 006 710 | -930,483 | 136.805 | 1.571.069 | 2 292 102 |
| Beginning Cash Balance | 1,096,719 | -930,483 | 150,803 | 1,371,009 | 2,283,102 |
| Revenue | 5,557,370 | 9,563,649 | 11,665,970 | 11,899,289 | 12,137,275 |
| Expenditures: | | | | | |
| Board Expenditures | 441,933 | 425,653 | 510,031 | 555,622 | 618,963 |
| Board Administration | 1,068,549 | 1,185,474 | 1,471,562 | 1,644,063 | 1,820,472 |
| Examinations | 40,154 | 49,150 | 58,893 | 64,157 | 71,471 |
| Enforcement | 3,406,236 | 3,914,332 | 4,690,281 | 5,109,534 | 5,692,021 |
| Legal Services | 163,566 | 64,780 | 77,622 | 84,560 | 94,200 |

| | 0.64.602 | 600.224 | 026767 | 011.562 | 1.015.400 |
|------------------------------|-----------|-------------|--------------|--------------|--------------|
| Information Systems | 864,603 | 698,334 | 836,767 | 911,563 | 1,015,482 |
| Facilities/ Support Services | 758,783 | 963,980 | 1,155,072 | 1,258,322 | 1,401,770 |
| Agency Administration | 818,107 | 945,619 | 1,133,072 | 1,234,354 | 1,375,071 |
| Transfers/Other | 22,641 | 249,039 | 298,407 | 325,081 | 362,140 |
| Total Expenditures | 7,584,572 | 8,496,361 | 10,231,706 | 11,187,256 | 12,451,589 |
| Cash Balance | -930,483 | 136,805 | 1,571,069 | 2,283,102 | 1,968,788 |
| Callahan Percentage | -12.3% | <u>1.6%</u> | <u>15.4%</u> | <u>20.4%</u> | <u>15.8%</u> |

NOTES:

The methodology for allocating legal services provided by the Attorney General's Office was changed in the 2002-04 biennium.

The Board has experienced a substantial increase in the volume of licensees during the 2002-04 biennium, which increases the projections

for both revenues and expenditures for future biennia. There is no clear indication whether this trend of increasing volumes will continue.

The cost increases associated with the proposed regulations are reflected in Board Administration for FY2005 and future biennia.

Alternatives

Please describe any viable alternatives to the proposal considered and the rationale used by the agency to select the least burdensome or intrusive alternative that meets the essential purpose of the action.

In reviewing the regulations, the Board considered whether there were less burdensome alternatives. Alternatives that failed to meet this consideration were rejected.

The proposed regulations involve the removal of obsolete and duplicative language. The Board believes that failure to adopt these amendments will actually place an unnecessary burden on both the existing regulant population and future applicants for licensure, subsequently no alternatives were considered.

In consideration of the implementation of continuing education requirements, the Board was faced with weighing the burden on the regulant against the protection of the public. The licensing of tradesman was moved to the regulatory authority of the Board for Contractors in 1995, but was in existence, through the Department of Housing and Community Development or individual localities for decades previous to that transfer. There is no question that the implied intent of the program, since its inception, is to ensure that individuals licensed to perform trade-

related work are adequately trained to perform the work in the manner that is prescribed in the applicable building code and, in those instances where the code is silent, in a manner that ensures an adequate level of safety and competency.

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In determining continuing education requirements, the Board was faced with two decisions, the first to find if the implementation of a continuing education program was required and the second to determine the number of hours and subject matter. In meeting their goal of licensed tradesman who are adequately trained in amendments to the building code to ensure safety to all citizens of the Commonwealth, the Board looked at programs in other states that had similar licensing programs and at local governments that had programs tailored to their needs, additionally, the alternative of not requiring continuing education was discussed at length. Alternatives included voluntary continuing education programs and training programs administered by local Building Officials and trade association. After looking at data from all fifty states, the Board agreed that a continuing education program that was the least burdensome as possible to the licensee, but ensured an adequate level of training was the most prudent choice.

The Board will also consider all comments received during the public comment period as to proposed alternatives.

Public comment

Please summarize all comments received during public comment period following the publication of the NOIRA, and provide the agency response.

| Commenter | Comment | Agency response |
|------------------|---------------------------------------|--|
| Laurie Crigler, | Supports the implementation of a | The board will take this comment into |
| Plumbing and | continuing education program. | consideration when drafting proposed |
| Mechanical | | regulations. You are encouraged to comment |
| Professionals of | | on those regulations during the public comment |
| Virginia | | period to be held after the Board formally |
| | | adopts proposed regulations. |
| Beverly Donati, | Requests the Board review | The board will take this comment into |
| Department of | language regarding the | consideration when drafting proposed |
| Labor and | apprenticeship requirements for | regulations. You are encouraged to comment |
| Industry | eligibility to sit for the journeyman | on those regulations during the public comment |
| | examination. | period to be held after the Board formally |
| | | adopts proposed regulations. |

Family impact

Please assess the impact of the proposed regulatory action on the institution of the family and family stability.

These proposed amendments are not anticipated to have any significant impact on Virginia's families.

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Detail of changes

Please detail all changes that are being proposed and the consequences of the proposed changes. Detail all new provisions and/or all changes to existing sections.

If the proposed regulation is intended to replace an emergency regulation, please list separately (1) all changes between the pre-emergency regulation and the proposed regulation, and (2) only changes made since the publication of the emergency regulation.

For changes to existing regulations, use this chart:

| Current section number | Proposed new section number, if applicable | Current requirement | Proposed change and rationale |
|------------------------------|--|---|--|
| 18 VAC 50-30-10 | | Definition of "affidavit" | Definition removed as affidavit requirements omitted from statute in order to accommodate online transactions. |
| | | Definition of "approved" | Removed as unnecessary regulation |
| | | Definition of "backflow prevention device testing." | Removed as already defined in § 54.1-1128 |
| | | Definition of "backflow prevention device work." | Amended for clarification, proposal directly references statutory definition of backflow prevention device testing. |
| | | Definitions of "gas fitter" and "plumber" | Amended from "tradesman" to "an individual" in order to clarify the definition |
| | | Definition of "journeyman" | Amended with language adding supervision to the definition. This clarifies the definition and specifically provides that a journeyman may supervise installation and repair. The original intent of the creation of the journeyman program in the 1970's was to permit these individuals to supervise those in the apprenticeship program and helpers. The administering agency of the apprenticeship programs in Virginia (DOLI) already permits supervision by journeymen. |
| | | Definition of "licensed tradesman" | Removed as unnecessary and redundant. |
| | | Definition of "regulant" | Added "liquefied petroleum gas fitter" and natural gas fitter" providers to the definition. |

| | | These programs were added in statute since the last amendment to these regulations. |
|--------------------|-------------------------------|--|
| | Definition of "reinstatement" | Removal of "tradesman" and "backflow prevention device worker" in order to make the definition more generic. |
| | Definition of "supervision" | Adds the definition of "supervision" to the regulations in order to provide the basis for the determination of whether or not trade-related work completed by an individual, who is not licensed as a tradesman, has been adequately reviewed by someone who is appropriately licensed and trained. This adds a level of protection to work that is currently not provided in the regulations, but was the intent of the Tradesman program. Additionally, this language is a duplicate of the definition of "supervision" that appears in the proposed contractor regulations. For the purposes of enforcement continuity, it is imperative that these definitions be identical. |
| | Definition of "supervisor" | Amends the definition of "supervisor" in order to duplicate the same definition that appears in the proposed contractor regulations. |
| | Definition of "tradesman" | Removed as already defined in § 54.1-1128 |
| 18 VAC 50-30-20 | Section title | The section title was amended for clarification, since all programs are either licensure or certification, there is no need to continue to add new programs to the title as they are assigned by law |
| | Various text amendments | Sections of the text were amended for clarification purposes and to remove unnecessary or redundant language. "Trade" was amended to "regulated activity" and "each individual who engages in, or offers to engage in" was amended to each "applicant." The language "oral or written" was removed as it pertains to examinations, in order to clarify that any type of examination (oral, written, computer based, etc.) could be given. The requirement for an affidavit was also amended to "a statement certifying" as the requirement to submit an affidavit was removed from statutes, in part to facilitate online applications. |
| 18 VAC 50-30-30 | Various text amendments | Sections of the text were amended for clarification purposes and to remove unnecessary or redundant language. "tradesman" and "backflow prevention device |

| | | worker" were removed in order that the section read simply "licensure or certification," a more generic term. In two instances "testing service" was amended to "testing organization" for clarification purposes. "Affidavit" was removed from sub-paragraph 8 as was redundant language "Virginia Tradesman Law." Sub-paragraph 9 was amended by removing language that permitted the Board to |
|--------------------|--|--|
| | | disapprove an application for failure to provide requested information within 60 days. The fact that fees are valid for one year, agency record retention policy and the provisions of the Administrative Process Act as they pertain to case decisions made by regulatory boards (including the disapproving of applications), makes this section of the code obsolete. |
| 18 VAC 50-30-40 | | Paragraph (D)(2) was amended for the purposes of continuity and clarification. |
| 18 VAC 50-30-50 | Paragraph (B)(1) permits exemption from exam requirements for individuals who have completed an apprenticeship program approved by the Virginia Apprenticeship Council | This amendment is proposed as a result of comment received from the Department of Labor and Industry. As currently written, all approved apprenticeship programs would be exempt from licensure, since all are subject to approval by the Virginia Apprenticeship Council. However, in reality only a few actually apply (18 as of 9/1/04) and are approved to have their programs meet the requirements for licensure. This correction is necessary to make the regulation technically correct. |
| | Paragraph (B)(2) requires that candidates for a particular exemption from the examination, provide documentation from the Board for Contractors | The provision to obtain documentation from the Board for Contractors is being removed. It is an unnecessary burden to require an applicant to get documentation from the regulatory body to which they are applying, when that regulatory body has direct access to the required information. |
| | Paragraphs (B)(3), (B)(4), and (B)(5) contain "grandfathering" provisions that are no longer in effect. | Those sections of the regulations have been removed as they are obsolete and no longer effective. |
| | Paragraph (C) listed exemptions from the requirement to hold a license | Exemptions from the statutory requirement to hold a license must be in those governing statutes and, in this case are listed in § 54.1-1131 of the Code. Subsequently, these proposed amendments, remove this section of the regulations. |

| | | T |
|--------------------|--|--|
| 18 VAC 50-30-60 | This section specifically outlines the general administrative requirement of applicants for a backflow prevention device worker certification. | These general administrative requirements are identical to any license or certification issued by the Board for Contractors and, with proposed amendments to the regulations providing for more generic language, would be redundant. These proposed amendments, remove this section of the regulations. |
| 18 VAC 50-30-70 | Paragraph (3) requires an affidavit | The proposed amendment removes the requirement to submit an affidavit and changes it to "a statement." The requirements to submit affidavits were removed from the statutes in order to permit online applications. |
| 18 VAC 50-30-80 | This section of the regulations promulgates provisions for revocation of licensure or certification, providing that the Board | The proposed amendments delete the provisions requiring that Building Officials and inspectors report violations. The Board for Contractors has no statutory authority over local Building Officials or inspectors. |
| | has the authority to require, among other things, remedial education and that building officials are tasked, by Board regulations, to report violations. | The remainder of the regulations was moved to a new section, 18 VAC 50-30-185, in Part V of the regulations "Standards of Conduct" the appropriate place for these provisions. |
| 18 VAC 50-30-90 | Title Change | The words "and examination" are removed from the title of section as examination fees, although approved by the Board as part of the procurement process, are set by the test vendor and the title can be confusing and possibly misleading. The next section of the regulations specifically addresses the examination fee issue. |
| | Paragraph (A) was lists administrative requirements for the submission of fees | The term "shall not be prorated" was added to the regulations to clarify that provision. The Board receives a number of telephone calls from licensees and potential licensees requesting clarification of the policy that fees not be prorated. |
| | Paragraph (B) provided information regarding returned checks | This paragraph is omitted from the proposed regulations as fees charged for checks or drafts returned by financial institutions are administrative fees charged by the agency, not fees that can be set by the Board. |
| | Paragraphs (C) – (H) listed fees in a narrative format, based on the type of license, certificate, or situation. | The proposed regulations take paragraphs (C) – (H) and combine them into a single paragraph (B), which lists fees in a chart format, which is much less confusing and easier to read than the narrative format used in the current regulations. |

| 18 VAC 50-30-120 | Paragraph (A) | "Tradesman" and "backflow prevention device worker" removed in order to make the paragraph more generic. All licenses and certificates issued by the Board expire two years from the last day of the month in which they were issued. Eliminating the specific language allows for future additions to licensure and certification without the need to amend the regulations. |
|---------------------|--|---|
| | Paragraph (B) provides renewal fees in a narrative format and contains | The proposed regulations eliminate paragraph (B) as written and make the following amendments: |
| | information regarding the renewal process. | Creates paragraph (C) which changes the renewal fee information from a narrative to a tabular format. |
| | | Creates paragraphs (D) – (G) which take the individual provisions of the original paragraph and separate them into their own individual paragraphs. This clarifies the format and makes the provisions easier to read and cite in correspondence and documentation |
| | New paragraph (B) | The amended paragraph (B) adds the requirement of continuing education to renewal of licenses. There is currently no provision in place that would require that a licensee complete continuing education as a condition of renewal. |
| | | The Tradesman and Education Committee, the Board's only standing committee has been exploring the continuing education issue for several years. The Committee looked at two major areas, the need for continuing education and, if a need exists, what would be the requirements of that program. |
| | | In determining the need for continuing education the Board looked at the increase in complaints against licensed tradesman, the increasing complexity of the trade-related building codes being adopted by Virginia, and comments received by the Board from building officials, trade organizations and other individuals. |
| | | As previously indicated complaints against tradesman have increased in the past two years, including the revocation of three licenses, where in the previous time since the program was given to the Board, there had |

been no violations that had warranted more than a minor fine and were generally of an administrative nature. After reviewing data that included the increase in complaints with a major overhaul of the building codes, the movement of Virginia toward universally accepted building codes, comments from building officials and inspectors of a noticeable increase in the number of projects that either fail inspection or require re-inspection and the number of states that have incorporated continuing education into their tradesman licensing programs, the Board determined that the evidence was overwhelming in the justification of a continuing education requirement in Virginia.

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Part of that compilation of information involved reviewing data from other states that have similar tradesman licensure programs. A number of issues, however, had to be taken into consideration when reviewing the data collected from the other states. Virginia is unique in that a single regulatory board is responsible for virtually every aspect of licensure for the entire construction industry. Other states have separate autonomous regulatory bodies for each profession. For example many states have a Plumbing Board, responsible for the licensure of individual plumbing tradesman as well as contracting firms that perform plumbing services. Several of these states have a separate Electrical Board and still other have a separate Contractors Board. An additional issue was the number of states that either do not regulate a trade at all or delegate that regulation to the individual localities. While small in number, some of the states with the largest populations regulate some or all of their tradesman on a local level. Illinois, Indiana, and to some extent, California and Pennsylvania have local licensing of tradesman. The Board could only review states with similar programs when making a conclusion based on their research.

Of the 39 states that regulate all or some of their tradesman, 31 have a continuing education requirement. One state, Kentucky, is preparing to implement a program and two states, Louisiana and Massachusetts, are expanding their program to include all trades. Since many of the states have separate regulatory bodies for each trade, there is variance in the participatory rate by that trade. 70% of the states that regulate electricians

require continuing education as part of the renewal cycle with plumbing at around 35% and HVAC at 27%

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The range of hourly requirements is substantial with the least amount of education required being North Dakota's two hours per licensing cycle for plumbers to New Jersey's 34 hours per licensing cycle for electricians. Again there is a wide variation by trade with electricians, in those states requiring continuing education, averaging about 14 hours per licensing cycle. HVAC mechanics average around 10 hours per licensing cycle with plumbers averaging around 7 ½ hours. Licensing cycles vary widely from locality to locality so it is also important to look at the requirements from an annual standpoint.

Annual averages stack up with electricians averaging 7 hours and plumbers and HVAC mechanics averaging 5 hours per year. Subject matter was also looked at as many states allow for a wide variety of subject matter, provided that it is approved by the regulatory body. Other states require that continuing education courses be restricted to a curriculum of the applicable code (National Electrical Code, International Plumbing Code, International Electrical Code and the Fuel Gas Code). States with restricted criteria require about half the hours of those states that allow a variety of subject matter.

Additionally, the Board had to look at the licensing programs themselves. Gas-fitters, for example, are only independently regulated in two other states (Florida and North Carolina). Most states include the gas-fitting trade under either plumbing or HVAC.

The final aspect to be considered by the Board was the burden to the licensee versus the benefit to the public. The Board is very sensitive to placing unnecessary burdens on their regulant population, especially when many of those regulants hold licenses in other states because of their proximity to the border and the competition of licenses from those border states.

The Board researched potential education providers to determine how much classroom time would be required to adequately teach code updates. The Virginia Building and Code Officials Association (VBCOA) made up of the building officials and inspectors from the

| | | various localities in the Commonwealth, were responsible for presenting a number of voluntary code update seminars in 2003, in anticipation of last year's major building code changes and the adoption of the new codes. These classes were approximately three hours in length for each of the trade-related specialties with the exception of gas-fitter which could be presented in about an hour. The Plumbing and Mechanical Professionals of Virginia (PMPV) representing plumbers and HVAC tradesman also provided code training to their membership and indicated that three hours per trade would be sufficient to provide thorough coverage of the individual building codes. |
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| | | In summary, after reviewing all of the data the Board determined that continuing education was justified, that it should be a requirement of renewal for all trades, that the education requirements should be restricted to training opportunities based on the various building codes and that three hours per trade per licensing cycle is sufficient (with one hour per licensing cycle for gas-fitters). |
| 18 VAC 50-30-130 | Paragraph (B) provides reinstatement fees in a narrative format and contains information regarding the reinstatement process. | Amends paragraph (B) changing the reinstatement fees from a narrative to a tabular format. Creates paragraphs (C) – (H) which take the individual provisions of the original paragraph and separate them into their own individual paragraphs. This clarifies the format and makes the provisions easier to read and cite in |
| | | correspondence and documentation. |
| 18 VAC 50-30-140 | Paragraph (B) | Removing "tradesman" and "backflow prevention device worker" to make the section more generic. Eliminating the specific language allows for future additions to licensure and certification without the need to amend the regulations. |
| 18 VAC 50-30-150 | Title Change | Amended title to "Adding or deleting trade designations" in order to more accurately reflect the contents of the section. |
| | Re-formatting of information | Re-formatted the section by including the individual provisions in separate paragraphs (A) – (D), with the only change being the addition of clarifying language to paragraph (A) in order to match the title change. |

| 18 VAC 50-30-180 | | Provides that complaints may be filed with DPOR at any time during business hours. | This section of the regulations is stricken as it is unnecessary. Procedures for filing complaints are provided in general statutes pertaining to all regulatory boards and in agency policy. |
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| | 18 VAC 50- 30-185 | | This section was previously 18 VAC 50-30-80 and was moved to Part V (Standards of Conduct) for reasons stated previously |
| 18 VAC 50-30-190 | | This section lists prohibited acts. | Paragraphs (2) & (7) - Removing "tradesman" and "backflow prevention device worker" to make the section more generic. Eliminating the specific language allows for future additions to licensure and certification without the need to amend the regulations. |
| | | | Paragraph (3) – added liquefied petroleum gas fitter and natural gas fitter provider, which were not added during the last amendments |
| | | | Paragraphs (4), (5) & (6) – removed the word "trade," added liquefied petroleum gas fitter and natural gas fitter provider, which were not added during the last amendments and changed "work" to "worker" in order to make the section grammatically correct. |
| 18 VAC 50-30-200 | | Title change | Title changed to "Vocational training" to match verbiage used in the eligibility section of the regulations. |
| | | Definition of vocational training. | Paragraph (A) – Removed language that was duplicative of language used in the eligibility section of the regulations (18 VAC 50-30-40). |
| | | | Paragraph (B) – added new paragraph B to separate information on backflow prevention device worker course language |
| | 18 VAC 50- 30-210 | | The intent of the Board is to approve both continuing education providers (schools, organizations, etc.) and continuing education courses. This section of the regulations pertains to the procedures that must be followed by continuing education providers in order to be approved by the Board. |

| | The Board for Contractors, having no desire to "reinvent the wheel", used applicable procedures and language from the already established continuing education program in place with the Real Estate Board, making changes, where required, to fit the training program designed for tradesmen. Paragraph (A) – lists the information that must be provided as part of the application from a provider that is seeking approval by the Board. Paragraph (B) – sets the requirement that providers must be approved by the Board prior to offering courses for credit and that correspondence and distance learning courses must be include appropriate testing |
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| | procedures. |
| | Paragraph (C) – requires that all providers must maintain a record for each student and lists information that must be included in that record. |
| 18 VAC 50- 30-220 | This section establishes the procedures for approval of courses offered by approved providers. The Board will be approving courses separately from course providers in order to ensure that those courses approved for continuing education credit are current and appropriate, based on any changes that have been promulgated to the various building codes that affect licensed tradesman. |
| | Paragraph (A) – lists the subject matter basis for the courses. |
| | Paragraph (B) – lists the application requirements for course approval. |
| | Paragraph (C) – provides that courses may be approved retroactively, however, credit will not be given until actual course approval. This provision is in place in the event that an approved provider presents a course with the intent to have it approved at a later date. This is a common occurrence in other licensing programs that require CEU's, especially at trade conferences, licensing seminars, etc. |
| 18 VAC 50- 30-230 | This provision requires that approved providers must electronically report course completion data within seven days of the completion of each course. It is imperative that course |

| | completion information be made available to the licensing record of regulants, as quickly as possible, and in a format that can be easily integrated into the Board's current licensing system. |
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| 18 VAC 50- 30-240 | Provides that approved providers must have copies of their approval documentation available at all course locations. |
| 18 VAC 50- 30-250 | Requires that approved providers must notify the Board of changes in information provided with their application. |
| 18 VAC 50- 30-260 | Provides that the Board may withdraw approval of any continuing education provider for the reasons listed: (1) courses that no longer meet standards established by the Board; (2) fraudulent or deceptive advertisement; or (3) providing false information to the Board |